

HOUSE BILL 1940

By Winningham

AN ACT to amend Tennessee Code Annotated, Title 57, Chapter 4, Part 1 and Title 67, Chapter 6, Part 1, to enact the Tennessee Scenic Lake Resort District Act of 2007.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Tennessee Scenic Lake Resort District Act of 2007".

SECTION 2. Tennessee Code Annotated, Section 67-6-103(a)(3), is amended by adding the following language as a new subdivision (G):

(G)

(i) A county bordering on, or containing, Dale Hollow Lake or Cordell Hull Lake, may elect to be a "Tennessee scenic lake resort distinct" for purposes of this chapter. A municipality within such county and located within three (3) miles of the nearest bank of such lakes, may also elect to be a "Tennessee scenic lake resort distinct" for purposes of this chapter. Notwithstanding any other provision of law to the contrary, as an alternative to and in lieu of the allocation prescribed in subdivision (a)(3)(A), a Tennessee scenic lake resort distinct shall receive four and five thousand nine hundred twenty-five ten-thousandths percent (4.5925%) of the tax actually collected and remitted by dealers within the boundaries of such district. Any distribution made to a Tennessee scenic lake resort distinct pursuant to such election shall be earmarked and paid from the general fund. If, however, any such payment is made to a Tennessee scenic lake resort distinct pursuant to the election, the amount that would have been received by such district had the district not exercised the election shall be earmarked and allocated to the general fund;

(ii) Subject to the provisions of subdivision (a)(3)(G)(iv), a county, or municipality within a county, described in subdivision (a)(3)(G)(i) may elect Tennessee scenic lake resort distinct status by adopting a resolution or ordinance approved by a two-thirds (2/3) vote of the legislative body of the jurisdiction. Its approval or nonapproval shall be proclaimed by the presiding officer of the jurisdiction. Within thirty (30) days of adopting such resolution or ordinance, the presiding officer of the jurisdiction shall send a certified copy of the ordinance or resolution to the secretary of state and the commissioner of revenue;

(iii) Notwithstanding any other provision of law to the contrary, of the revenue retained pursuant to an election under the provisions of subdivision (a)(3)(G)(i), less the amount that would have been received by such district had the district not exercised the election, fifty percent (50%) shall be used exclusively for either the promotion and support of tourism in the jurisdiction or the promotion and support of tourism in conjunction with other jurisdictions so electing Tennessee scenic lake resort distinct status;

(iv) Tennessee scenic lake resort distinct status may be elected by both a county and a municipality within such county, subject to the following provisions:

(a) If the election occurs between January 1, 2008, and June 30, 2008, a municipality electing Tennessee scenic lake resort distinct status shall be entitled to the authorized percentage of tax actually collected and remitted by dealers within the boundaries of the municipality only. A county electing such status shall be entitled to the authorized percentage of tax actually collected and remitted by dealers within the boundaries of

the county; provided, however, that the county shall only be entitled to receive such revenue outside the jurisdiction of any municipality electing Tennessee scenic lake resort distinct status located in the county; or

(b) If election occurs on and after July 1, 2008, a county electing Tennessee scenic lake resort distinct status prior to a non-electing municipality shall be entitled to the authorized percentage of tax actually collected and remitted by dealers within the boundaries of the county and within the boundaries of non-electing municipalities. No non-electing municipality shall later elect Tennessee scenic lake resort distinct status; provided, that a non-electing municipality may elect such status prior to election of such status by the county and, in that event, tax collections would be distributed in accordance with the provisions of subdivision (a)(3)(G)(iv)(a);

SECTION 3. For the purpose of promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2008, the public welfare requiring it.